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*The 1999 State of the Region* is the second annual report published by the Southern California Association of Governments on performance indicators regarding issues facing Southern California. This report represents an effort to document demographic, economic, mobility, environmental, and overall quality of life trends in order to understand the progress made in the implementation of adopted regional policies and recommendations. The data form the foundation for analysis to develop strategies and policies to manage the anticipated growth in the region.

The dispersion of the urban population throughout Southern California has created a situation whereby problems such as air pollution, inadequate transportation systems, loss of open space resources, and poverty and crime cannot be addressed by individual cities or counties. The increasingly complex challenges faced by residents in Southern California require coordinated solutions. Beginning in 1992, representatives from local governments joined members of regional authorities in developing a plan for the region that would build on its strengths, and work to address its weaknesses, as we enter the 21st century.

The Southern California Association of Governments (SCAG) adopted a *Regional Comprehensive Plan and Guide* between 1994 and 1996. The various chapters in the Plan were developed through a coordinated effort among SCAG staff, its member subregions, other regional agencies, and representatives from the private sector, labor, and academia. SCAG's subregions represent local governments, and their input into the Plan reflects local concerns in a bottom-up planning process.

The *Regional Comprehensive Plan and Guide* is the first document to set a broad range of goals for the region and to identify strategies for agencies at all levels to use in guiding their decisions toward implementing the proposals in the Plan. After the Plan's adoption (1994-1996), SCAG's Regional Council, which is composed of seventy elected officials from throughout Southern California, and representatives from the business sector and labor, began discussions about monitoring the performance of the adopted policies and recommendations in the Plan.

Members of the Regional Council requested that the progress in meeting the Plan's goals be monitored through a benchmarking process, and they approved an initial list of performance indicators to assess that progress toward meeting the Plan's goals. The indicators were developed with input from other regional agencies, the private sector, and academia. This is the second annual report.

*The 1999 State of the Region* includes a profile of the Los Angeles metropolitan region and other regions to enable the reader to track this region's progress in a national and international context. Southern California is the center of the Pacific Rim, and a growing force in the important Latin American market. The region is poised to compete with any other region, both in this country and around the world. This report documents the metropolitan region's performance on a number of indicators, which are important in understanding the competitiveness of Southern California as it relates to the rest of the nation and around the world.

# Southern California in 1999 - an Overview

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This is the second State of the Region Report from SCAG. Each year, in addition to following up on indicators from previous reports, the Report highlights specific issues which the SCAG leadership has indicated are of particular and current importance to them. This second Report examines the state of the economy, transportation issues and education. Essays commissioned from leading experts in the field provide a much deeper look at the developments in these fields, going beyond the data in this report to provide a more complete assessment of their meaning and implications for the region.

## The Findings

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### 1. POPULATION AND GROWTH

Southern California continues to be the major magnet for both internal migration within the US as well as for immigrants from around the world. Coupled with a high rate of natural increase, population growth continues to expand the demand for housing, facilities, and services throughout the region. Population growth rates are highest in the Inland Empire and the high desert in particular, although all areas show gains. Two major issues have been revived in recent months. First, the County of Ventura and several jurisdictions within the county adopted growth limitation initiatives in late 1998, which will place severe restrictions on the phys-

ical growth of urbanized areas. Second, the state has once again funded the Regional Housing Needs Assessment program, or RHNA, requiring all Southern California jurisdictions to update their General Plan Housing Elements by June 30th, 1999, and to establish new targets for low- and moderate-income housing.

### 2. EMPLOYMENT AND INCOME

The year has seen continued improvement on the economic front, with the economy finally ending its recessionary phase, and showing healthy growth in most sectors. This economic expansion is mirrored by continued population growth, which, while more modest than that of the late 1980's, nonetheless shows strong rates of natural increase and immigration. Migration, too, from other parts of the US has returned to the positive side. On a more cautious note, however, there is concern that despite the rising income, both the cost of living in the region and the patterns of income distribution have meant that a substantial portion of the population remains unable to afford a basic standard of living.

### 3. HOUSING

Housing presents a mixed picture as well. While housing starts have fallen well below their levels of the late 1980's, over-building during the boom years coupled with low household formation rates have mitigated the impact. But with land prices remaining high, affordability continues to

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be a problem, even with current low interest rates. This means, for many, that continued overcrowding, or, alternatively, long commutes between affordable housing and available employment are the norm.

#### **4. AIR QUALITY**

Along with the continued pressure on the transportation system has been a reversal of a long term trend showing, for the first time in years, a decline in the indicators for air quality. In 1998, there was an increase in the number of first stage alerts, compared to 1997. While both the 1998 and 1997 figures are attributable in part to weather patterns (fewer smog producing days than usual in 1997, and more in 1998), population growth continues to put pressure on the capacity of the region as a whole to meet federal standards, while the new standards will require substantial additional efforts if they are to be met on schedule.

Measurements have yet to be made against the new standard for very fine particulate matter (known technically as PM 2.5, meaning particulate matter finer than 2.5 microns), but preliminary estimates suggest that the region exceeds allowable emissions by 30-35 percent. It should be anticipated, therefore, that data for future years will again show large numbers of days exceeding federal and state standards. The grade assigned in the report's score card is therefore more

reflective of the actual situation - the nation's dirtiest air - than of the efforts made so far to clean it up, which are impressive, even while falling short of the standards.

#### **5. WASTE MANAGEMENT**

Waste management is an important municipal concern, although there is controversy over the meaning of the passing grade in the score card given in this area. SB 936 required that all communities reduce their solid waste streams. However, the reductions were calculated on a basis which is more reflective of per capita waste generation than of total tonnage, so that the state shows an 85 percent compliance rate with the 25 percent reduction mandate, whereas actual volumes have declined only marginally.

#### **6. MOBILITY**

It has not been possible to update a large portion of the mobility information from last year's report, since the necessary information is not available. Transportation, however, typically lags population and economic growth. Thus, figures comparing Southern California with other metropolitan regions show slight increases in congestion, attributable to the growing employment, population growth, higher vehicle ownership rates, and the very limited expansion of capacity of both the transit and highway systems. The 1998 Regional

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Transportation Plan highlighted this relationship, and suggested that the region will need to make far greater efforts in the future if this trend is to be reversed.

## **7. EDUCATION**

Education is the subject of one of the three essays included. The issue has become a major concern at the State level, with the new Administration placing it firmly in top priority. Similarly, the Benchmarks Task Force, established by SCAG to guide the development of this report, felt very strongly about the shortcomings of the state's educational system and programs, with a nearly unanimous rating of unacceptable. Material released after the final discussion by the Task Force shows that California places 50th out of 51 nationally in reading scores, further underlining the seriousness of the situation.

## **8. SAFETY**

Finally, the questions of crime and safety remain important. National and local statistics show significant declines in violent crime, which, while in large part still unexplained, are very welcome after decades of almost continuous rise. With crime down, other issues of personal safety have begun to rise in public consciousness, including the impacts of increasingly crowded streets on both automobile occupant and pedestrian safety.

## **Future Reports**

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The next edition of this report will look at several of these indicators in much greater depth, examining such issues as the income distribution underlying the overall growth of average income, the broader environmental impact of life in metropolitan Southern California as measured by the "ecological foot-print" which estimates the relative share of the world's resources consumed by the region (sometimes expressed as a geographic proportion of the world's land area), and an examination of the locational expression of additional environmental indicators such as air quality, expressed geographically as well as statistically.



# The Indicators

The indicators for the region, as well as comparisons with other parts of the nation and the world, are provided in the following report. As in the 1998 State of the Region, this report groups the indicators by subject, referring back to sections of SCAG's *Regional Comprehensive Plan and Guide* and the 1998 *Regional Transportation Plan (RTP)*. The indicators are directly linked to adopted policies and guidelines for the region.

